

REPORTS ANALYSIS REFERRAL

TO

OFFICE OF GENERAL COUNSEL

DATE: August 31, 2005

ANALYST: Anne Marie Brady

I. COMMITTEE: Arizona Supports Rick Murphy
(C00391763)
Christopher Rolando, Treasurer
2068 McCulloch Blvd.
Lake Havasu City, AZ 86403

II. RELEVANT STATUTE: 11 CFR §104.3(b)
2 U.S.C. §434(b)

III. BACKGROUND:

Failure to Provide Supporting Schedules (Failure to Disclose All Financial Activity)

Arizona Supports Rick Murphy ("the Committee") amended its 2004, 12 Day Pre-Primary Report on February 4, 2005 to disclose additional disbursements totaling \$276,796.25, a 15,647% increase in the disbursements reported in their original 2004 12 Day Pre-Primary Report¹ (Attachment 2).

On August 27, 2004, the Committee filed the 2004 12 Day Pre-Primary Report. The report disclosed disbursements of \$1,769.48 on Line 17 (Operating Expenditures) of the Detailed Summary Page (Image 24962303617).

On February 4, 2005, the Committee filed an Amended 2004 12 Day Pre-Primary Report. The report disclosed disbursements of \$278,565.73 on Line 17 (Operating Expenditures) of the Detailed Summary Page (Image 25970177389).

On March 16, 2005, the Reports Analysis Division (RAD) sent a Request for Additional Information (RFAI) to the Committee referencing the Amended 2004 12 Day Pre-Primary Report, received February 4, 2005. The RFAI requested that the Committee clarify why this additional activity was not disclosed on the original 2004 12 Day Pre-Primary Report (Image 25038760225).

On March 22, 2005, the Committee filed a second Amended 2004 12 Day Pre-Primary Report. The amended report again disclosed disbursements of \$278,565.73 on Line 17 (Operating Expenditures) of the Detailed Summary Page (Image 25990277633).

Also on March 23, 2005, the RAD Analyst spoke to Cindy Hunt, Assistant to the Treasurer. In the course of the conversation, Ms. Hunt asked about the RFAI which was sent on March 16, 2005. The Analyst explained to Ms. Hunt that the Committee should file a miscellaneous electronic statement (Form 99) detailing why the discrepancy occurred. The Analyst also mentioned to Ms. Hunt that the matter may be referred to the Office of General Counsel (OGC) (Attachment 3).

On March 25, 2005, the Committee filed a miscellaneous electronic submission with the Commission. The Committee stated within the submission that "Shortly before February 4, Aristotle, the campaign software we use, notified us that their software was causing errors. We are not sure what the software error was. Aristotle will be able to answer that. When they fixed their software error, we amended every report since the beginning of the campaign to ensure correct figures." (Image 25990299217)

On March 29, 2005, Cindy Hunt, Assistant to the Treasurer called the RAD Analyst to discuss the status of the miscellaneous electronic submission the Committee filed on March 25, 2005 and whether the information submitted was adequate. The Analyst informed Ms. Hunt that given the discrepancy, a referral would still be drafted and submitted to OGC. Ms. Hunt asked if the Committee could terminate and the Analyst informed her that as long as there was a pending issue with OGC, the Committee could not terminate (Attachment 4).

On June 16, 2005 at 10:48 am, the Analyst called the Treasurer, Mr. Chris Rolando. The Analyst informed Mr. Rolando, that the Committee could submit an explanation from Aristotle regarding the software issue. This submission would be included in the referral sent to OGC. The committee insisted that the increased activity was the result of a software error beyond their control, preventing them from being able to itemize all disbursements in full. Mr. Rolando said he would contact Aristotle to see if he could get further details regarding the software problem and would see if the software vendor would draft a letter to the FEC detailing the exact nature of the problem within the week (Attachment 5).

Also on June 16, 2005 at 03:25 pm, Ms. Hunt, the Assistant to the Treasurer, called the RAD Analyst. Ms. Hunt wished to know exactly what needed to be done in light of the conversation that took place between the Treasurer and the RAD Analyst. The Analyst reiterated what was said to Mr. Rolando, that they could submit information from Aristotle detailing the software problems and that this information would be included in the referral to OGC (Attachment 6).

On June 27, 2005, the Treasurer, Mr. Chris Rolando, called the RAD Analyst. Mr. Rolando informed the Analyst that he spoke at length with Aristotle, where it became evident that mistakes were made by Aristotle, as well as, the Committee. He said the letter the Committee submits will detail the problem. The Analyst asked Mr.

26044150606

Rolando if Aristotle agreed to submit a document explaining the problems and he said no, that they would not agree to do so (Attachment 7).

On July 7, 2005, the Committee filed a miscellaneous letter with the Commission. In the letter, the Committee detailed "In our conversation with Aristotle, we kept returning to how this could have happened. Entire records were missing as well as data entries. The only answer that we could get is that we could have been working in two databases, one on the local machine and the other on the Aristotle servers." The letter also highlighted that "Although Aristotle will not take responsibility for the error directly, all of the blame does not belong with them." In closing, the Committee states that they are planning on receiving additional training from Aristotle and will also attend an upcoming FEC training session to ensure no further reporting mistakes take place (Image 25038832320).

To date, no further communication has been received from the Committee regarding this matter.

26044150607

MURPHY, RICK L

ID #H4AZ02093

ARIZONA SUPPORTS RICK MURPHY
Christopher Rolando
FILING FREQUENCY: QUARTERLY

2068 McCulloch Blvd

HOUSE
Lake Havasu City AZ 86403

ID #C00391763

FORM TYPE	RPT TYPE	AI	PGI	REC DATE	PGS	BEG IMAGE	COVERAGE DATES	BEG CASH	RECEIPTS	DISBURSE	END CASH	DEBTS BY
1			N	10/28/2003	5	23038232799						
1			A	9/09/2004	4	24971432726						
MS			X	8/16/2004	2	24038501997						
MS			X	8/19/2004	2	24038502009						
MS			X	8/19/2004	2	24038502014						
MS			4	8/23/2004	2	24962268026						
MS			4	8/25/2004	2	24962274287						
MS			X	8/25/2004	2	24038504835						
MS			4	9/03/2004	2	24962331952						
RQ	YE	2		3/09/2004	6	24038334416	10/01/2003 12/31/2003					
RQ	Q1	2		6/30/2004	4	24038420998	1/01/2004 3/31/2004					
RQ	Q2	2		9/09/2004	4	24038512789	4/01/2004 6/30/2004					
RQ	Q2	2		3/16/2005	3	25038760222	4/01/2004 6/30/2004					
RQ	12P	2		9/30/2004	3	24038512043	7/01/2004 8/18/2004					
RQ	12P	2		3/16/2005	3	25038760225	7/01/2004 8/18/2004					
RQ	12P	7		8/27/2004	2	24038510440	7/01/2004 8/18/2004					
RQ	Q3	2		12/17/2004	3	24038670081	8/19/2004 9/30/2004					
RQ	YE	2		4/05/2005	3	25038770487	10/01/2004 12/31/2004					
	YE	N	P	1/15/2004	50	24990089508	1/01/2003 12/31/2003	0	363216	13225	349990	250000
	YE	A	P	4/05/2004	51	24990920619	1/01/2003 12/31/2003	0	363216	13225	349990	250345
	YE	A	P	7/15/2004	50	24971336389	1/01/2003 12/31/2003	0	363756	14200	349555	250000
3	YE	A	P	2/04/2005	49	25970177231	1/01/2003 12/31/2003	0	367056	13854	353201	250000
3	Q1	N	P	4/15/2004	42	24991059148	1/01/2004 3/31/2004	349990	37224	108203	279010	250000
3	Q1	A	P	7/15/2004	44	24971336736	1/01/2004 3/31/2004	349555	37624	108512	278666	250000
3	Q1	A	P	2/04/2005	46	25970177280	1/01/2004 3/31/2004	353201	38674	112798	279076	250000
3	Q2	N	P	7/15/2004	52	24961855597	4/01/2004 6/30/2004	278666	54500	191417	141749	250000

MURPHY, RICK L

ID #H4AZ02093

ARIZONA SUPPORTS RICK MURPHY
Christopher Rolando
FILING FREQUENCY: QUARTERLY

2068 McCulloch Blvd

HOUSE
Lake Havasu City AZ 86403

ID #C00391763

FORM TYPE	RPT TYPE	AI	PGI	REC DATE	PGS	BEG IMAGE	COVERAGE DATES	BEG CASH	RECEIPTS	DISBURSE	END CASH	DEBTS BY
3	Q2	A	P	2/04/2005	61	25970177328	4/01/2004 6/30/2004	279076	60900	223747	116229	250000
3	12P	N	P	8/27/2004	8	24962303614	7/01/2004 8/18/2004	141749	240000	1769	379980	490000
3	12P	A	P	2/04/2005	49	25970177389	7/01/2004 8/18/2004	116229	262035	278565	99698	490000
3	12P	A	P	3/22/2005	49	25990277630	7/01/2004 8/18/2004	116229	262035	278565	99698	490000
3	Q3	N	P	10/15/2004	23	24962530858	8/19/2004 9/30/2004	141749	67975	167061	42662	550000
3	Q3	A	P	1/21/2005	23	25980215007	8/19/2004 9/30/2004	379980	67975	167061	280893	550000
3	Q3	A	P	2/04/2005	25	25970177503	8/19/2004 9/30/2004	99698	69500	167096	2102	550000
3	YE	N	P	2/02/2005	7	25970144060	10/01/2004 12/31/2004	280893	100	606	280386	550000
3	YE	A	P	2/04/2005	8	25970177528	10/01/2004 12/31/2004	2102	100	651	1550	550000
TOTAL									798265	796711		

26044150609

MURPHY, RICK L

ID #H4AZ02093

ARIZONA SUPPORTS RICK MURPHY
Christopher Rolando
FILING FREQUENCY: QUARTERLY

2068 McCulloch Blvd

HOUSE
Lake Havasu City AZ 86403

ID #C00391763

FORM TYPE	RPT TYPE	AI	PGI	REC DATE	PGS	BEG IMAGE	COVERAGE DATES	BEG CASH	RECEIPTS	DISBURSE	END CASH	DEBTS BY
MS			T	2/17/2005	2	25038733912						
MS			T	3/25/2005	1	25990299217						
MS			T	3/30/2005	2	25038763973						
MS			T	7/07/2005	3	25038832320						
MS			T	7/18/2005	2	25038843285						
RQ	Q1	2		6/23/2005	3	25038824841	1/01/2005 3/31/2005					
RQ	Q2	2		8/25/2005	3	25038890652	4/01/2005 6/30/2005					
3	Q1	N	P	4/07/2005	10	25990423990	1/01/2005 3/31/2005	1550	18100	24602	4951-	568100
3	Q2	N	P	7/15/2005	10	25970647240	4/01/2005 6/30/2005	4951-	13041	15639	7550-	581141
							TOTAL		31141	40241		

26044150610

Arizona Supports Rick Murphy (C00391763)

**2004 12 Day Pre-Primary Report/Amended 2004 12 Day Pre-Primary Report
Overview of Disbursement Variance**

Line	Original 2004 12 Day Pre-Primary Report, filed 8/27/2004 (Image 24962303614)	Amended 2004 12 Day Pre-Primary Report, filed 2/04/05 (Image 25970177389)	Disbursement Variance Amount
17	\$1,769.48	\$278,565.73	\$276,796.25

26044150611